

**TITLE: A STUDY OF ATTITUDES TOWARDS THREAT IN THE UNITED
KINGDOM MINISTRY OF DEFENCE COMMERCIAL FUNCTION**

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SUMMARY:

Against a background of continuing change and increasing pressures public sector procurement staff are being required to do more with less. The aim of this study was to establish whether Ministry of Defence Commercial Officers sense that they are under threat and assess what those primary sources of threat are. Data was acquired through in-depth interviews with procurement practitioners from two key Ministry of Defence sites at Bristol and Corsham in the South West of England. The study finds that threat is perceived to exist and categorises them as internal (self, FDRS, line management and reputation) and external (Budgetary, legislative, policy/political pressure and risk). These threats are shown to negatively affect behaviour and the efficient running of the procurement function. Access to the MOD commercial function is necessarily restricted to those outside of the organisation and the data and findings presented in this study are therefore an important contribution to our knowledge of the internal workings of the Department and the procurement personnel within it.

WORD COUNT: 6,655

INTRODUCTION

Public procurement faces increasing pressures to reform, however studies on those who work within the discipline are few and even where studies of public procurement have been made, they have tended to focus upon process (McCue and Gianakis, 2001). Consecutive reports on the United Kingdom Ministry of Defence (MOD) have noted the need for reform (Gray, 2009). These reforms comprise the need to address a predisposition towards 'optimism bias', where project costs and duration are underestimated and benefits are overestimated (Mott MacDonald, 2002), and the requirement to professionalise (Levene *et al.*, 2011; UK Govt, 2014a). Added to this is the politicisation of the Civil Service in terms of patronage, promotion and appointments to key roles (Sausman and Locke, 2004) that have affected the make up of the service, policy construction and suggestions for improvement. Many improvements in management engagement and working practices have been made (Thompson, 2014), however, the mantra for more to be done with less is accompanied with plans to reduce Ministry of Defence staff to 41,000 by 2020 (Defence People Secretariat, 2016).

The regular review, assessment and criticism levelled at the MOD may have an unwelcome consequence. For instance, Arnold *et al.*, (2005) noted that the organisational climate and culture, that is the employees' perception of how their organisation functions, can effect how an individual behaves. Under such pressures and perceptions of insecurity staff may consider that their interests are better served elsewhere and leave the service or they may become more cautious and delay making management and contractual decisions that they feel may threaten their wellbeing.

The reduction in staff numbers that have already taken place have largely been achieved through voluntary redundancies; those volunteers being mostly staff who have accrued a sufficient pension to make voluntary release worthwhile or are in possession of skills and experiences that are transferable to an organisation that offers greater security and salary. The unwelcome consequence is that there has been a decapitation of experience from within the MOD with those with greater experience leaving and their places having to be filled by less experienced and sometimes non-MOD staff. In short, with civil service numbers due to reduce significantly there is greater likelihood that the remaining staff will feel threat and that it might affect their behaviours.

LITERATURE REVIEW

Threat

An individual who feels threatened, regardless of whether that threat *is* to be realised, will react in a manner that indicates that the threat *will* be realised. The perception of threat can therefore have an effect on behaviour and can lead to poor communication and coordination, contentious tactics and reduced productivity (Rempel and Fisher, 1997).

The concept of *perceived threat* was established in the work of Campbell (1965, p. 288):

"Real conflict of interests, overt, active, or past conflict, and/or the presence of hostile, threatening, and competitive outgroup neighbours, which collectively may be called 'real threat,' cause a perception of threat"

Rempel and Fisher (1997, p. 217) added that:

"A threat may actually exist for a group, or may be a false perception on the part of group members, but regardless, a similar effect on intergroup relations is the predicted result."

Stephan and Renfro (2002) suggested that threat arises because of the anticipation of negative consequences and that fear is an emotional response to threat. They expand on this by noting that threat is a cognitive appraisal and fear is a common emotional response to that cognitive appraisal. Fear has the function of avoiding potentially harmful events and is an emotion with a component that translates into behavioural effects (Flykt, *et al.*, 2012).

The human mind has evolved and become structured to face challenges such as those related to survival and recognition of opportunities and threats and the generation of strategies that allow the individual to exploit or avoid them (Bodenhausen and Hugenberg, 2009). An approach to this is suggested by Cummings and Cooper (1979) whereby individuals try to keep their thoughts, emotions and relationships with the world in a steady state and that each individual has a range within which they are comfortable. When a force acts to disrupt that range of stability the individual is forced to act or cope to restore a feeling of comfort, this is the adjustment or 'coping strategy'. A pioneer of the interactionist perspective was Lazarus (1966) and the central element of his theory was the concept of threat, which was regarded as an imagined or anticipated future deprivation of an individual's values (Furnham, 2006). Threat is seen as relating to the 'self' with the maintenance and enhancement of the 'self' being a fundamental element of human motive. Lazarus refers to the cognitive processes as 'appraisal' processes that include attention, perception and evaluation (Furnham, 2006). Indeed, Folkman and Lazarus (1988) noted that:

"Psychological stress is experienced when a situation is considered to be threatening, with the threat exceeding the individual's available resources for coping." (p. 651)

It is of note though that Hobfoll (1988) is critical of the latter work of Lazarus and Folkman (1984), suggesting that his conservation of resources model goes further, particularly in relation to the goal of coping. It appears then that perceived threat has a direct relationship with stress. Cox and Mackay (1979) described the relationship between environmental factors such as physical conditions and individual factors such as personality attributes and demonstrated that they lead to a judgement of threat that then develops into a state of stress. O'Driscoll and Cooper (2002) commented that although the word 'stress' has been used for some time, there is confusion over it. They proffered mediation by referring to the work of Beehr and Franz (1987, p. 6) who suggested that stress has most commonly been defined as: "an environmental stimulus often described as a force applied to the individual, as an individual's psychological or physical response to such an environmental force, or as the interaction between these two events".

The sources of stress were explored by Cooper and Marshall (1978) who suggested six potential sources including those factors related to the individual's role in the organisation: career development, the organisational climate, relationships within the organisation, intrinsic elements such as time pressures and decision making, and the balance between organisation versus personal demands and interests. Acknowledging the work of Cooper and Marshall (1978) and others such as Selye (1956), Cooper *et al.*, (1988), Cox and Mackay (1979) and Furnham (2006, p. 384) suggested that whether people experience stress is usually dependent on their cognitive evaluation of the situation and their perceived coping skills. They suggested that the principle sources of stress were Role conflict, Role ambiguity, role overload or underload, lack of social support, alienation from decision-making, home-work interface, job insecurity and unemployment. Furnham (2006) concluded that stress is the mental and physical condition that results from a perceived threat or demand that cannot be dealt with readily. General threats are articulated but the literature is silent on the specific sources of threat and stress to public sector procurement personnel.

The Organisation Under Study: The Ministry of Defence Procurement Function

The MOD is the Government Department headed by a Secretary of State with responsibility for the implementation of defence policy. Its principal objectives are to defend the United Kingdom and its interests, to strengthen international peace and stability, and to act as a force for good in the world (MOD, 2014a). Flynn and Davis (2014) noted that public procurement has recently been receiving greater attention and is moving from the periphery of management science towards the mainstream. Public procurement is defined as “the designated legal authority to advise, plan, obtain, deliver, and evaluate a government's expenditures on goods and services that are used to fulfil stated objectives, obligations, and activities in pursuant of desired policy outcomes” (Prier *et al.*, 2010, p. 514). The MOD is a significant buyer within the UK public sector and the procurement function has an annual spend of approximately £20Bn (excluding Trident nuclear deterrent). The function comprises around 2000 commercial staff that are responsible for procurement from concept to disposal (MOD, 2014b). The staff charged with undertaking procurement are civil servants and are known as ‘Commercial Officers’ and they work within ‘Project Teams’ in locations across the UK and overseas. Public procurement involves significant sums of money and is an inherently politically sensitive activity (Schapper *et al.*, 2006). The UK Ministry of Defence has the fifth largest defence budget in the world (GOV.UK, 2015) and in the July 2015 budget the Chancellor of the Exchequer announced that the UK will continue to meet the NATO defence spending target of 2% of Gross Domestic Product (GDP) for the rest of the decade (HM Treasury, 2015). The MOD is British Industry's single largest customer and Commercial Officers placed approximately 2,300 new contracts in Financial year 2013/2014 with a spend of around £20.4 Billion (GOV.UK, 2015a).

The public perception of the culture of the civil service is one of a concentration on job security and resistance to change and so the political initiatives for change that are identified in the various reviews, reports and budget reductions, might feel threatening to the MOD civil servants. This would be in keeping with Arnold *et al.*, (2005) who described research undertaken by the Chartered Institute of Personnel and Development that demonstrates that stress is a greater factor amongst public sector

workers than their equivalent in the private sector. The stress is attributed to the changes in Government and reduction in available resources and the changing purpose of a role when coupled to fluid political imperatives and job insecurity. Cuyper *et al.*, (2010) found that the objective threat of unemployment is associated positively with perceived job insecurity and they note the work of Bussing (1999) who found that restructuring prompts feelings of job insecurity, which then leads to workers developing strain. The issue of job insecurity and feeling of threat can only be enhanced by the significant changes that have taken place in the last decade and in the way the MOD does its business. It was noted by Smith and Antill (2013) that the Department had already outsourced much of its support capability. It is also only recently that the UK Government has undertaken a review that has threatened to outsource the procurement function of the Ministry of Defence based upon recommendations made by Gray (2009) and, to some extent, was influenced by the award of a twenty five year contract in 2000 for the operation of the Atomic Weapons Establishment (AWE). The outsourcing to a Government Owned but Contractor Operated (GOCO) option was muted in response to the reported shortcomings of the Department such as late delivery and the perceived 'gold-plating' of projects. The advent of a GOCO would have meant a massive change for the department through the transfer of work to the private sector (Wentzell, 2008). Ultimately, the attempt failed due in part to the inability to address concerns raised about roles and the nature of the work noted by those such as Taylor and Louth (2013). The idea of GOCO though may not have been abandoned, but merely suspended and could be revised in the future (Hartley, 2015) in which case it remains a sword hanging above the MOD commercial function.

METHODOLOGY

Gray (2004) suggests that if the research includes the examination of feelings or attitudes, then interviews may be the best approach, especially where there is a need to attain highly personalised data or there are opportunities for 'probing'. Following a pilot test to determine whether there were flaws, limitations or any other weaknesses with the interview design that might need to be subject to revision (Turner, 2010), semi-structured interviews were conducted with a combination of open-ended, closed and probing questions.

The interviews were recorded on an iPhone and a Dictaphone (as backup) and prior to the interview they were placed beyond the eyesight of the participants. This simple act has been shown to reduce the chance of discomfort and alleviate any problems with the recording equipment affecting behaviour (O'Reilly and Kiyimba, 2015).

Prior to commencing the interview each participant was reminded of the confidential nature of the interview and asked to consent to the interviews being recorded and transcribed. The participant was also asked not to share detail that might be covered by the Official Secrets Act 1989 or compromise national security. It was made clear that if the participant told the researcher something it would be assumed that: a) the participant was permitted to say it and b) the researcher was permitted to know it. Following a successful pilot the interviews were conducted at MOD Abbey Wood near Bristol and MOD Corsham in Wiltshire between December 2014 and May 2015. The duration of each interview ranged between 30 and 60 minutes. The participants

were allocated a code number from P01 to P15 and the interviews were transcribed *verbatim* into a Word document and later imported into NVivo.

Generalisability

Generalisability, the extent to which findings of a research study is applicable to other setting (Saunders *et al.*, 2009), is not the purpose of this study and claims to generalisation are not made. A criticism that is often levelled at studies that are qualitative in nature is that their very nature makes them weaker in comparison to those that are quantitative. Addressing this issue, Checkland and Howell (1998) argued that although results are not replicable they are generalisable if the criterion are recorded in order for anyone interested in the research to subject it to critical scrutiny, they call this ‘recoverability’. Scott and Garner (*ibid*, p. 35) suggested that very few studies, even the most scientifically rigorous, can be considered fully generalizable, however, many address a “generic social process” that generates broadly relevant insights.

Ethical Considerations

Prior to the research commencing, permission was sought and granted from the MOD to speak with members of the Commercial Function. Anonymity and confidentiality was assured by the identification of the participants only as a number. It is of particular importance to this research that the participants did not reference specific projects; systems or locations of weapons and forces (if these were known to them) and this was made explicit prior to the interview. The participants are bound by the Official Secrets Act 1989. Specific project teams have not be identified within the research and, where relevant, only the participant’s working environment is identified *i.e.* land, air, sea or policy. All data was voluntarily given and held securely by the researcher.

ANALYSIS

Within NVivo nodes are the ‘containers for coding’ that allow the researcher to gather material from the source material into one place in order to explore emerging patterns and ideas. An initial read through of the interview transcripts and a return to the literature that had earlier been reviewed led to the creation of topic-coding parent nodes.

In total fifteen semi-structured interviews (11 at MOD Abbey Wood in Bristol and 4 at MOD Corsham in Wiltshire) were undertaken by the researchers. All participants were commercial practitioners from projects centred on land, sea, air and policy.

Table 1 details that the participants comprised a cross section of grades from E1 (the lowest) to B1 (the highest). The group with the largest mean number of years experience was those who were C1 grade; those at this grade occupy middle management positions and undertake the vast majority of contractual and negotiation work.

Table 1 – Grades and years of experience.

Grade	B1	B2	C1	C2	E1
f	1	6	6	1	1
Mean Years Experience	9	14	15	1	1

FINDINGS

The aim of this study was to establish whether MOD Commercial Officers feel that they are under threat and if so what those primary sources of threat are. The dominant themes that were discussed by MOD Commercial Officers comprised ‘Fear of Failure’, ‘Forced Distribution Rating System’, ‘Line Management’, ‘Political Pressures’, ‘Fall from Grace’, and ‘Procurement Risk’. Each are discussed in turn in the following sections.

Fear of Failure: ‘lives on the line’ and Discipline

One participant revealed that some of the threat that they perceive from their work in the Commercial Function was linked to personal failure:

“...I understand the consequences if I get it wrong and I don’t necessarily mean for me; I mean we’re civil servants...it’s...it’s you know, we can be obviously disciplined and get a thick ear from somebody but from that level I’ll take that on the chin if I make a mistake but I worry because again there are people’s lives on the line – it’s not like I’m buying some bread for a shelf you know, in a shop.” (P01)

The threat of being disciplined for not undertaking the job properly referred to by the participant could be in the form of being subject to ‘restoring efficiency’, a move undertaken by management to address poor performance or correct errant behaviour and noted by another participant as being: “to recover their performance over the course of the quarter year,” (P14). Where the staff member is assessed as not having [done so] it could result in the individual being “managed out of the Department” (P09).

The threat to job security is important to the Participant but they and others also spoke of the threat and pressures they felt due to the potential of causing harm to members of Her Majesty’s Armed Forces through an error in their professional work. MOD staff see their work as being above the norm for the procurement professional. Using the need to ensure adherence to the rules on transparency for contracting and noting that the team get fearful, Participant 07 observed: “...we’re told all the time you’re the ones who are signing it. You’re the ones who will be up in court.” A fear reflected in the view of another Participant who summarised: “I just think there’s...I’m thinking of the general people...there’s almost a fear of not...to not look daft.” (P08).

One of the ways that the Commercial Officer can prevent embarrassment is to seek validation; this was highlighted by reference to people checking with the policy section when there was perhaps not a need to do so. Participant 12 noted this as being

“scared of making a mistake.” However, one Participant took an opposite view, when asked whether the need for validation was through fear, participant 04 replied: “I can only speak for myself but it wouldn’t be my view.” On the other hand, participant 07 expresses the need for validation as being an exercise in ticking boxes that provides comfort to those seeking validation. When questioned on the word ‘comfort’, Participant 07 replied that it was to do with their feelings of security and added, coarsely, “nothing’s going to come back and burn my ass!”

Forced Distribution Rating System

Another cause of threat is the Forced Distribution Rating System (FDRS) adopted by MOD that has caused some trepidation and anxiousness amongst the MOD Civil Servants and their Unions (PCS Union, 2015). The system puts staff into bands of performance after every annual report. Those at the bottom of the system are placed on a personal improvement plan and if they are not seen to be recovering put on ‘restoring efficiency’. Against a background of possible further cuts in project budgets, Participant 14 observed:

“I’m guessing we’ll see some staff cuts...it could well be that we don’t have a voluntary redundancy programme but that DES [Defence Equipment and Support] might decide to get rid of the bottom five percent.” (P14)

Here, participant 14 is not saying that this *will* happen, but did go on to confirm that the system has made staff feel threatened and that this may have an effect on behaviour:

“...Ninety five percent weren’t in a box three. This year, with the additional bandings there might be some different behaviours; next year when the results are announced from last year, if you see what I mean so that people will get their banding in June erm...so if that causes a kerfuffle we might see some very different behaviours next year.” (P14)

Although Participant 14 said to their knowledge there has not been a fight amongst staff to get additional work or to stand out through the performance system, it is, in their view because the system has not yet fully bedded in. The implication is that senior managers such as P14 expect the system to generate these behaviours.

One could argue that by its very nature such a system promotes competition amongst staff to become a member of the top ten percent because those in the top tier will gain the biggest financial incentive and avoid the consequences of the bottom tier.

“...it introduces an element of competition which is absolutely the purpose of it I guess. Of people trying to stay out of the bottom five percent.” (P14)

One MOD Commercial Officer confided in the researcher that the system had already shown signs of stimulating what they regarded as adverse behaviours in personnel. They cited examples of people trying to avoid taking certain duties as part of their objectives because they feared that evidence to prove success in them would be difficult. They would take other duties as objectives because it was easier to prove that there had been success in them. The participant said that people were trying to

‘pick and choose very carefully’. When asked whether those people were doing so because of threat, the participant replied that they were.

The threat within such a system is internal and may be felt more acutely as it comes from work colleagues – both those that must report on them and those with whom they are in competition.

Line Management

A related threat is that of the line management. Participant 09 describes being so wary of a line manager and the demands being faced within the work environment that there was a need to work very late into the night and then get into work very early the next day to deliver some work. The Participant adds: ‘I did get a sense that there was a threat here,’ and describes being micro-managed as the cause of the threat. The Participant suggests that the management style was driven by fear: “they seemed to be petrified of the people who sat above them in terms of how those people thought of them.” Participant 01 describes another threat and discloses being “scared” of a high flyer who came to the office for a short period. Another Participant described an element of threat that manifests in a low risk appetite within the MOD and suggested that it caused people to succumb to paralysis because they were: “[so]...worried about the possibility of making the wrong decision that they make no decision.” (P01)

Political Pressures

Participant 08 cited the ‘terrible’ atmosphere created by the constant political pressure and the apparent lack of understanding from those in power. The external political threat was generated by those who are regarded as issuing an edict that is then seized upon with considerable vigour by MOD commercial senior management without adequate consultation of those who must do the work. The Participant infers that people are worn down by it “...that whole atmosphere is stopping innovation, ideas and people are just lining up and just getting on with it because it’s just not worth it.” (P08). The Participant returns to the imposition of policy that has prevented good ideas from being generated by an ‘engaged workforce’ and fears that free thought, innovation and generating good ideas “might have actually been bred out of people.” (P08). The feeling is that the atmosphere has made commercial staff less thoughtful and creative because they are told to ‘just get on with it’ and so in order to cope with the situation people are taking the line of least resistance.

Another Participant also suggested that external political pressure is having an adverse affect: “we’ve got the Treasury and Politicians who try and mess it up for us.” (P11). The underlying view of political will as an all encompassing and overarching influence provided by the Participants resonates with the findings of Murray (2007) who has described the influence of politicians on public procurement as ‘pervasive’. However, P08 suggests that the threat that is applied by management in the name of politics is often a misinterpretation of the original will:

“The interpretation here is PUS [Permanent Under Secretary] has said ‘just get on with it’ and the reality is PUS hasn’t said anything of the sort but the interpretation once it gets down here through the filters is ‘just get on with it’. If somebody went up to PUS and said: ‘[name removed] did you say to [name

removed] you will get what you want whatever it costs whether it's peoples stress, whether it's back to front, whether it's ruin, whether it creates no benefits whatsoever; we'll just do it blindly?' Do you think [name removed] actually said that, do you think that's what [name removed] actually thinks? No, [name removed] taken that and said there's a directive, let's do our bit to make it happen." (P08)

This statement implies a lack of questioning on the part of the senior management within the organisation. The willingness by senior and line management to be seen as getting things done at all costs and not to query the manner in which it is to be achieved and the cost to the personnel involved in achieving it can only add to the feeling of threat within the environment.

Fall from Grace

Participant 02 suggests that those who are in higher positions are made more cautious by the bad publicity the MOD has received because of delays to programmes in the general press that have caused a 'public outcry'. Further suggestion is made that the longer an individual has been in the organisation the more threatened by their position they become:

"...the further up the chain they move, the more power they have, the more they're afraid of using that power because they're on a bigger pedestal to get knocked off; it's almost a case that the more power you have the more afraid of making a call you become.' (P02).

The suggestion here is that loss of face and external and internal pillorying is seen as a threat, which in turn causes indecision or delay of decision that may lead to criticism – creating a cycle of indecision and threat.

Procurement Risk

The Commercial Officers raised risk as being a threat. The threat was made more prominent in their minds by the division of labour within project teams where risk management is usually headed by technical staff or those that have specialised in project management. The issue for Commercial staff is that, although they have an input, their concerns are often not given as high regard as other elements of the project and they are often seen as blockers. Consequently, their concerns about project risk and procurement risk are often not given as high regard as other risks.

Internal and External Threats

The threat, whether 'real' or imagined, that was described by MOD Commercial Officers can be categorised as being internal and external. Figure 1 details the related internal and external sources of threat to Commercial Officers revealed by this study. The threats act to apply pressure to the individual, influencing their attitudes towards that threat and in consequence affecting their behaviours.

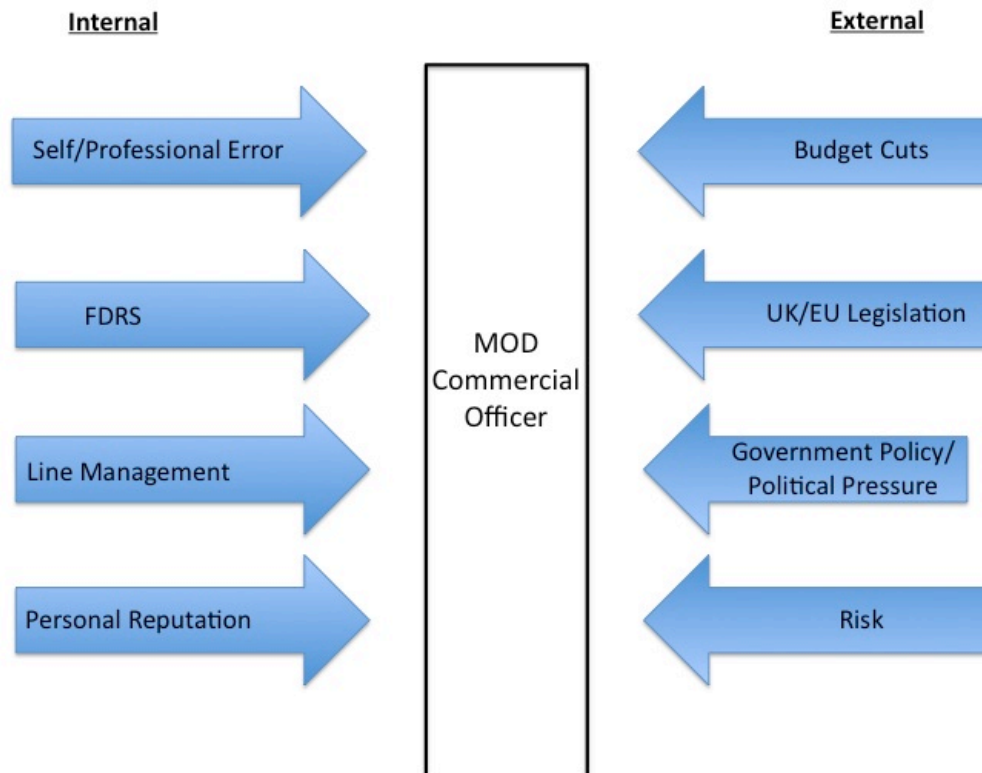


Figure 1 - Internal and external sources of threat described by MOD Commercial Officers

Threat is felt through the performance management system both from colleagues and line management. There is threat from professional error that may cause harm to HM Armed Forces or the self and there is threat derived from Line Management. The threat from the potential for embarrassment of the profession and personal reputation is heightened by the lower regard that Commercial Officer's perceive to be given to procurement risk. External threat is derived from poor or mismanaged risk. The commercial officer regards risk in this study as a threat external to the function because the risk management is usually the remit of technical or project managers. However, risk could also be a commercial function internal threat. Its transfer from external to function, to internal to function being made through a conversion process whereby, although initially external, such as a decision to change an element of the technical requirement, it has the effect of requiring the commercial officer to deal with it through an activity that is within the remit of the commercial function. Threat is also derived from UK/EU legislation, which is an ever present and complex set of procedures that the commercial officer is expected to have extensive knowledge of and to some extent be an authority upon. Political pressure and budgetary cuts are subjects upon which, although an increasingly important factor in how the function operates, the commercial officer can bring no influence to bear.

DISCUSSION

Perception of Threat

When one considers the environment with its distinct locations (such as MOD Abbey Wood and MOD Corsham), the external and internal threats and rewards that are present, a picture of the Commercial Officer's perceptual threat emerges.

The literature has shown that threat arises because of the anticipation of negative consequences (Stephan and Rentro, 2002). Fear has been shown by Flykt *et al.* (2012) to be an emotion that can deliver a behavioural response and threat can therefore affect behaviour. Hippel and Kalokernos (2012) have shown that it can trigger competitive behaviours. An individual who feels threatened, regardless of whether that threat *is* to be realised, will react in a manner that indicates that the threat *will* be realised. Scarnati (1998) notes that this can have a detrimental effect on business.

The commercial officers often concentrate on consequences; they perceive that they are ultimately responsible for the goods and services that the contractual relationship delivers. The Commercial Function has a considerable responsibility in the department, charged as they are with procurement of the vast range of equipment and services that often have a direct connection with the safety and well being of the Armed Forces and they do not separate their activity from consequence. They feel that as they signed the contract it is their responsibility. An example can be seen in the case of the loss of Nimrod XV230 over Afghanistan in 2006 that had tragically cost the lives of 14 servicemen and the Haddon-Cave (2006) report that had noted a lack of clear roles and responsibilities in contractual relationships as contributory causes. The reaction to this tragedy, despite the commercial function not being implicated in the report, was that the function issued an internal policy statement for staff and designed training to emphasise safety in contracts. The commercial function's regard to threat is then partly driven by their symbiotic link with the Armed Forces. Those within the function are responsible for a great deal but, there is only so much that they can do to ensure efficiency and deliver to the Armed Forces what is required to enable them to do battle and remain as safe as possible. There are others involved such as the political, military, technical and project management staff who dictate the requirement. Commercial Staff can attempt to become involved earlier and professional bodies such as CIPS encourage such behaviours, however, this may mean imposing themselves on elements of the acquisition that they may not have been invited to. Besides, with fewer staff and the numbers set to decline further, there is, and there will continue to be, fewer resources to devote to these time investments as they attempt to keep on top of undertaking contract placement and management.

Internal and External Threat

Threat in the MOD commercial function falls into two broad categories: 1) internal (self/professional error, FDRS, line management, personal reputation) and 2) External (Budget cuts, UK/EU Legislation, Government policy/political pressure, Risk). Both have been shown to have an influence on the Commercial Officer.

Two of the internal threats (self/professional error and personal reputation) are generated by the individual themselves in response to their environment. The fear of

making a mistake that could cost in terms of money or the lives of HM Armed Forces is ever-present in the mind of the Commercial Officer. Such a mistake is perceived as having a consequence on professional reputation, which is highly valued.

The FDRS can reward the individual or generate corrective action according to the assessment of the line management. This provides that line management with a high degree of power and influence. The FDRS may be relatively new but there has been a staff reporting and bonus scheme in place for many years. The difference between what has been before and the current system was perceived as stark. The prospect of unemployment resulting from a poor annual performance is much more pronounced than anything that has gone before. Job security was noted by a number of Participants as a particular fear. The FDRS system seeks to substantially reward the top 10% and correct or dismiss the bottom 10%. Whilst this may generate aspiration in the middle range of staff to pursue achievement, it is also a source of threat because there is always a possibility of demotion to the bottom tier if one's work is perceived to be of insufficient quality by the line manager. The system has been conceived by the external actors as a means of driving professionalism and efficiency, which is understandable given the regular criticism of MOD major projects by the National Audit Office, but the perception of Commercial Officers' is that it is a means of reducing staff in the face of Governmental pressure on budgets and resources. The study has shown that the FDRS can have an effect and could encourage negative behaviours and that it has added to the perception of threat and predation. It seems to run counter to the principle of public service, which one could argue should always be about how to pull for a common cause and for the public good, to maintain a system that introduces competition amongst staff. The complexity and range of procurement activity that frustrated the GOCO option appears to show that the MOD procurement function is not an organisation that is logically comparable with any other within Government or within business where a FDRS may work. There is also the matter that in many of the diverse projects those managing commercial staff will not be from that function themselves and may have a different view of what success looks like and what should be rewarded. For example, whereas a commercial senior officer may reward adherence to policy and holding project managers to account, a technical officer may regard the same activities as unnecessary bureaucracy and interference.

The study has highlighted the need for the public sector organisations to reconsider Forced Distribution Reward Systems, which on the evidence presented here can act to the detriment of the organisation in causing feelings of threat. The study also indicates that some staff will work longer, unpaid, hours in order to counter perceived threat, especially if that threat comes from line management. However, the study also shows that the line management in turn are taking steps to create a good impression. An effect of this could be that more personal cognitive resource is devoted to this to the detriment of other areas. Whilst a civil servant is expected to be cautious with matters concerning the public purse, the paralysis in making decisions described in this study could have repercussions in the form of a loss of efficiency and innovative thinking which could further add to a perceived risk rather than mitigate it.

There is a perceived inability of senior managers in the commercial function to resist changes that the workforce regards as ill advised. Commercial officers highlight political pressure as being a particular threat and there is a feeling that resistance to it is frowned upon, whereas eagerness to implement is cherished and rewarded. The

lack of resistance highlighted may be in part due to the politicisation of the civil service described by Sausman and Locke (2004), which suggests a more forceful political influence that is not countered by the experienced management of yesteryear and have departed under voluntary redundancy schemes. The commercial staff appear to crave more opposition (colloquially known as ‘push-back’) and caution with less interpretation from senior management of poor or unclear policy. This appears to be somewhat paradoxical though as the commercial staff also speak of the need for a management who do not delay decisions. Perhaps then what is lacking is the correct balance between forging ahead in making decisions and applying caution and ‘pushing back’. This is an issue that requires further exploration

There may be degrees of threat perception within the commercial function. For example, a senior Commercial Officer may perceive more external political influence than a junior because they are likely to have a more strategic role and are therefore more exposed to it. Likewise, the junior Commercial Officer may perceive greater threat from policy or process as they work with it on a daily basis. However, they may both perceive FDRS and their line management as a general threat and have a similar but not identical view of the culture.

There was a sense of frustration in many of the commercial officers because the impression the general public has of them is one of consistent failure that has required review and intervention. They feel it does not match the reality, which is that the vast majority of contracts by number are well placed, well executed and operate without incident. The negative publicity that accompanies MOD failures and acts as a threat to the staff tends to concentrate on those elements that the commercial officer undertakes – such as placing the contract. However, the majority of areas within reports that have described fault or failure refer to areas beyond the commercial officer’s scope of work such as setting the requirement, technical failure and political decisions.

CONCLUSION

There are very few studies on public procurement professionals (Flynn and Davies, 2014) and those that do exist concentrate on political issues and processes rather than what procurement professionals feel and how they behave. This paper addresses this gap by making an interpretive study of MOD Procurement Officers. It explores their perception of threat and identifies resultant behaviours that, in doing so, contributes to our understanding of the theory of psychological stress in the workplace.

The study has confirmed that threat exists and that it need not be ‘real’ to generate a reaction to it; the perception of threat can have the same effect. It shows that these perceived internal and external threats can negatively affect behaviour and that, against a background of reducing resources and public and political scrutiny, the perception of threat has influenced effective management through over caution, indecision and feelings of concern. The MOD’s commercial function is housed within a complex and unique Government Department that is usually closed to those outside of the MOD and so the data that has been gathered for this study is an important contribution to our knowledge of the internal workings of the Department and the procurement personnel within it. In addition, this study represents the first account in an academic work of the types of threat felt by civil servants within the MOD

Procurement Function and details their reaction and some of the behaviours determined by it.

Further research is needed to consider the project management and technical staff attitudes towards threat within the Ministry of Defence in order to gain common understanding about the perceived threats and behaviours for all those involved in the procurement cycle.

As with all research, this study has some limitations. The study focuses entirely on the UK Ministry of Defence procurement function. The nature of the study means that no claims to generalisation are made. The sample is taken from across the procurement function in a range of grades and with a range of experience and so one could argue that the sample size indicates that the sample is indicative rather than representational.

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